

licensee shall maintain test points as required by federal law and shall allow the County to have access to those test points upon reasonable notice and at intervals not more frequently than required by federal law, except for good and substantial cause shown.

(Ord. No. 90-73, § 1, 7-24-90)

Sec. 8AA-41. Service requirements; equipment for the hearing impaired.

A licensee shall make available to its subscribers equipment capable of decoding closed circuit captioning information for the hearing impaired. An additional reasonable charge for any such equipment may be imposed.

(Ord. No. 90-73, § 1, 7-24-90)

Sec. 8AA-42. Standby power.

The licensee shall maintain equipment capable of providing standby power for headend, transmission and trunk amplifiers for a minimum of one (1) hour.

(Ord. No. 90-73, § 1, 7-24-90)

Sec. 8AA-43. Notice of change in services.

The licensee shall, to the extent possible, send written notice to the County Manager and all subscribers at least thirty (30) days prior to rearranging, replacing, removing or retiering services. To the extent prior notice is not possible, the licensee will provide notice of such a change within a reasonable amount of time.

(Ord. No. 90-73, § 1, 7-24-90)

Sec. 8AA-44. Lock-out devices.

The licensee shall make available, to any residential subscriber so requesting, a "parental guidance" or "lock-out" device which shall permit the subscriber, at his or her option, to eliminate the audio and visual aspects from any channel reception. An additional reasonable charge for any such device may be imposed.

(Ord. No. 90-73, § 1, 7-24-90)

Sec. 8AA-45. A/B switch.

The licensee shall make available, to any residential subscriber so requesting, an input selector

or A/B switch permitting conversion from cable to antenna reception. An additional reasonable charge for any such device may be imposed.

(Ord. No. 90-73, § 1, 7-24-90)

Sec. 8AA-46. Leased access channels.

A licensee must provide commercial or leased access channels to the extent required by State or federal laws.

(Ord. No. 90-73, § 1, 7-24-90)

Sec. 8AA-47. Emergency override facilities.

Licensee shall install and maintain an audio override capacity capable of remote operation on all channels for transmission of emergency messages and alerts. In the case of any emergency or disaster, as determined by the County, licensees shall, upon request of the County, make the override capacity available to the County without charge for use during emergency or disaster periods. Licensee shall install and maintain an emergency text or closed-captioned override capability when available at a cost not to exceed the then cost of a new audio override similar to licensee's existing audio override.

(Ord. No. 90-73, § 1, 7-24-90; Ord. No. 92-97, § 7, 9-15-92)

Sec. 8AA-48. Service to public buildings.

Within a reasonable amount of time, but at least within ninety (90) days following the request, a licensee shall be required to provide basic service, with converter or other necessary equipment, without installation or monthly charge to buildings within the County; provided that such buildings are passed by and within five hundred (500) feet of the licensee's existing distribution system and are owned by the County or occupied by a governmental entity for predominantly educational or governmental use, including public schools and other local tax supported elementary, secondary and college level institutions. The licensee may charge for service to that portion of the building used primarily for residential purposes. Such basic service shall be provided by means of a single drop extending to the facility. Such single drop may be internally extended by the governmental entity without cost to, or responsibility of

the licensee, subject to the condition that all such internal distribution shall meet all FCC requirements relative to signal leakage. At the request of the County, the licensee shall install the additional service outlets in such facilities and shall charge only its time and material costs for such installations. At the request of the County, the licensee shall extend its distribution system to serve such buildings located more than five hundred (500) feet from the licensee's existing distribution system. In such circumstances, the government entity owning or occupying the building shall reimburse the licensee for the time and material costs incurred in extending the distribution system to within five hundred (500) feet of the building. The licensee shall remain responsible for all costs for the five hundred (500) feet adjacent to the building. The County shall not require permit fees for such installations. As used in this section 8AA-48, the term "basic service" shall include all channels except premium channels sold on a per-channel or pay-per-view basis.
(Ord. No. 90-73, § 1, 7-24-90; Ord. No. 92-97, § 8, 9-15-92)

Sec. 8AA-49. County communications facilities.

With regard to underground construction, the licensee shall provide and install, in a common trench with its facilities, County services conduit as specified by the County. Prior to installation of any fiber optic cable, the licensee shall notify the County of its intention and, at the County's request, the licensee shall provide and install such additional fiber optic strands or cable as the County specifies for its use. The additional cost to the licensee will be borne by the County. The licensee will not be required to maintain the County equipment and facilities.

(Ord. No. 90-73, § 1, 7-24-90)

Sec. 8AA-50. Public, educational and government access channels.

(a) The licensee shall provide and maintain at least one (1) specially designated and noncommercial public access channel available on a first-come, nondiscriminatory basis.

(b) The licensee shall provide and maintain, without charge, at least four (4) specially designated educational access channels for use and programming by local tax supported educational authorities in the elementary, secondary and college level fields, as well as instructional television for adults. Two (2) such channels shall be made immediately available from the licensee. The other channels shall be made available upon a determination by the County Manager that the need for additional educational channels exists. The licensee shall provide such required channels within ninety (90) days of notification of the County Manager's determination.

(c) The licensee shall provide and maintain, without charge, at least one (1) specially designated government access channel for Dade County government use and programming.

(d) At those time segments during which no signals are transmitted over public, educational or government access channels, the licensee may utilize such channels for any purpose consistent with the provisions of this chapter.

(e) The licensee shall endeavor to provide that the signal of each channel required in this section be received at a designated place on the subscriber's channel selector as prescribed by the County Manager, which shall be uniform for every CATV system in the County insofar as technology permits.

(f) The licensee shall contribute matching funds to the capital costs for the educational and government access channels provided for in this section. The total contribution of all licensed operators shall be no more than one-half of the total capital cost expended by the County and shall not exceed fifty cents (\$0.50) per subscriber per year. The licensee contribution shall be the percentage of capital costs equal to the licensees' weighted pro rata share of all Dade County cable television subscribers. Capital costs means the cost of purchasing and replacing equipment and facilities of such channels as reflected in their official government budgets.

(1) On October 15th of each year, the County Manager shall notify the licensee of its capital cost contribution and the method of cal-

ulation. The licensee's share shall be determined based upon the reports required to be filed with the County on July 25th of that year. The government budget utilized shall be that budget in operation at the time of the notice.

- (2) The capital cost contribution shall be due within ninety (90) days following the notification.
- (3) Payment of capital costs shall not be construed as a license fee and cannot be taken as a credit against the license fee requirements of this chapter.
- (4) Payment under protest of the capital cost contribution shall be a prerequisite to contesting the amount of the capital costs contribution pursuant to this chapter.

(g) If, during the course of the license, the County Manager determines that additional access channel capacity is needed, the County Manager may request additional channels upon the same terms as provided in this section and such request shall not be unreasonably denied based upon such factors as (1) channel capacity; (2) community need; (3) number of access channels available in comparable communities; (4) technological feasibility; (5) the then usage of existing access channels; and all other relevant factors.

(Ord. No. 90-73, § 1, 7-24-90; Ord. No. 92-97, § 9, 9-15-92)

Sec. 8AA-51. Interconnection of cable systems.

(a) A licensee shall interconnect the access channels of the cable system with any or all other cable systems in contiguous adjacent areas, upon the directive of the County Manager. Interconnection of cable systems may be done by direct cable connection, microwave link, satellite, or other appropriate method. The County shall not direct interconnection except under circumstances where it can be reasonably accomplished without undue burden or excessive cost.

(b) Upon receiving the directive of the County Manager to interconnect, a licensee shall immediately initiate negotiations with the other affected cable system or systems in order that all

costs may be shared equally among cable systems for both construction and operation of the interconnection link.

(c) A licensee may be granted reasonable extensions of time to interconnect or the County may rescind its order to interconnect upon petition by the licensee to the County. The County shall grant said request if it finds that a licensee has negotiated in good faith and has failed to obtain an agreement from the cable system or systems of the proposed interconnection or that the cost of the interconnection would cause an unreasonable or unacceptable increase in subscriber rates.

(d) A licensee shall cooperate with any interconnection corporation, regional interconnection authority or other County, State and federal regulatory agency which may be hereafter established for the purpose of regulating, financing, otherwise providing for the interconnection of cable systems beyond the boundaries of the County.

(e) In the event it becomes necessary, the licensee shall make reasonable efforts to ensure any interconnect needed for the simultaneous redistribution of the access channels provided for in this license. Any common costs associated with this interconnection shall be shared among all licensed operators based on their respective weighted pro rata share of all Dade County subscribers.

(Ord. No. 90-73, § 1, 7-24-90)

Sec. 8AA-52. Records and reporting requirements; access to records.

The County shall have access, at all reasonable hours, to books, records, maps, plans, contracts, engineering, accounting, financial, statistical, subscriber and service records relating to the property and operation of the licensee's Dade County system and to such other records as may be required by the County to perform its regulatory responsibilities under this chapter and the calculation of gross revenues used to compute license fees. Such records shall be made available upon reasonable notice at the licensee's local Dade County office. If the licensee shall fail to obtain books or records not kept in the local office, and if the County shall determine that an examination

shall be made available to the County at the licensee's Dade County office.

(Ord. No. 90-73, § 1, 7-24-90)

Sec. 8AA-56. Additional reports.

(a) A licensee shall notify the County upon any purchase of a SMATV system located within the licensee's priority service area.

(b) Copies of all petitions, applications and communications submitted by the licensee to the Federal Communications Commission or any other federal or State regulatory commission or agency having jurisdiction in respect to any matters affecting CATV operations authorized pursuant to a license granted under this ordinance shall also be submitted simultaneously to the County Manager or his designee.

(c) The licensee shall prepare and furnish to the County, at times and in the form prescribed by the County, such additional reports with respect to its operation, in the discretion of the County Manager, which are reasonably necessary for the administration of this chapter.

(Ord. No. 90-73, § 1, 7-24-90)

Sec. 8AA-57. Consumer protection provisions; office and telephone availability.

(a) The licensee shall maintain an office within the County that is adequately staffed and open to the public during all normal business hours. The office shall be opened when the licensee commences construction.

(b) Each licensee shall maintain a telephone system with a publicly listed telephone number. The telephone system shall be adequately staffed and employ a sufficient number of telephone lines to allow reasonable access by subscribers and members of the public, and shall be so operated that complaints and requests for repairs may be received at any time twenty-four (24) hours a day, each day of the year.

(c) Knowledgeable, qualified company representatives will be available to respond to customer telephone inquiries Monday through Friday during normal business hours. Additionally, based on community needs, licensees will staff tele-

phones for supplemental hours on weekdays and/or weekends.

(d) Under normal operating conditions, telephone answer time by a customer service representative, including wait time, and the time required to transfer the call, shall not exceed thirty (30) seconds. Licensees that utilize automated answering and distributing equipment will limit the number of routine rings to four (4) or fewer. Licensees not utilizing automated equipment shall make every effort to answer incoming calls as promptly as the automated systems. Percent of abandoned telephone calls out of total calls received shall not exceed ten (10) percent, average. These standards shall be met no less than ninety (90) percent of the time measured on a annual basis based upon the most recent four (4) quarters.

(e) Under normal operating conditions, the customer will receive a busy signal less than three (3) percent of the total time that the licensee's office is open for business.

(f) Customer service center and bill payment locations will be open for transactions Monday through Friday during normal business hours. Additionally, based on community needs, the licensee will schedule supplemental hours on weekdays and/or weekends during which these centers will be open as needed.

(Ord. No. 90-73, § 1, 7-24-90)

Sec. 8AA-58. Installations, outages and service calls.

(a) Under normal operating conditions, each of the following four (4) standards will be met no less than ninety-five (95) percent of the time measured on an annual basis based upon the preceding four (4) quarters.

- (1) Standard installations will be performed within seven (7) business days after an order has been placed; provided the licensee has been able to obtain any necessary easements or other consents necessary to complete the installations. "Standard" installations are up to one hundred twenty-five (125) feet from the existing distribution system.

- (2) Excluding those situations beyond the control of the licensee, the licensee will respond to service interruptions promptly and in no event later than twenty-four (24) hours. Other service problems will be responded to within thirty-six (36) hours during the normal work week.
 - (3) The appointment window alternatives made available for installations, service calls, and other installation activities will be (a) morning, (b) afternoon, and (c) all day during normal business hours. Additionally, based on community needs, licensees will schedule supplemental hours during which appointments can be set.
 - (4) If at any time an installer or technician is running late, an attempt to contact the customer will be made and the appointment rescheduled as necessary at a time which is convenient for the customer.
 - (b) The licensee shall not miss two (2) consecutive service or installation appointments scheduled with a particular subscriber unless rescheduled one (1) day in advance.
 - (c) New developments contiguous to the licensee's distribution system shall be wired for cable service within a reasonable amount of time, but at least within one hundred twenty (120) days after the development has reached seventy-five (75) percent occupancy, so long as the construction meets the density requirements of this chapter and provided the licensee has been able to obtain any necessary easements or other consents necessary to complete the installation. This section shall not apply to developments that are already served by another pay television service provider.
 - (d) Each licensee shall intentionally interrupt service only for good cause for the shortest time possible. Such interruptions shall occur during periods of minimum use of the system, when practicable. A written log shall be maintained for all service interruptions.
 - (e) In the event that total service to any subscriber is interrupted for twenty-four (24) or more hours due to the fault of the licensee, the licensee shall provide a credit or rebate to affected subscribers, upon the subscriber's written request, equal to twenty (20) percent of the monthly fees for each twenty-four-hour period during which the subscriber is without service. In the event that total service to any subscriber is interrupted for six (6) or more hours, the licensee shall provide a credit or rebate to affected subscribers, upon the subscriber's request, equal to one-thirtieth of the monthly bill. For purposes of computing the time of interrupted total service, the time shall begin when a complaint for interrupted total service is received by the licensee or when the licensee has actual or constructive notice of the interruption, whichever occurs first. Nothing in this subsection limits the licensee from applying a rebate policy more liberal than the requirements.
 - (f) In all situations where cable service is disrupted to two hundred (200) or more subscribers for a time period greater than four (4) hours, the licensee shall notify the County Manager or his designee immediately.
 - (g) All field employees must carry identification indicating their employment with the licensee.
 - (h) Upon termination of service to any subscriber, the licensee shall promptly remove all portions of its system, facilities and equipment from the subscriber's premises upon his request. Where removal is impractical, such as with buried cable or internal wiring, facilities and equipment may be disconnected rather than removed.
(Ord. No. 90-78, § 1, 7-24-90)
- Sec. 8AA-59. Communications, bills and refunds.**
- (a) The licensee will provide written information in each of the following areas at the time of installation and at any future time upon request:
 - (1) The products and services offered;
 - (2) Prices and service options;
 - (3) How to use the cable service;
 - (4) Installation and service policies;
 - (5) The licensee's procedures for the receipt and resolution of customer complaints, the licensee's address and telephone number to

which complaints may be reported, and the hours of operation;

- (6) The telephone number and address of the County's office designated to handle cable television complaints and inquiries;
- (7) The availability of the "lock-out" device required by this chapter;
- (8) The availability of an input selector, or A/B switch, and identification of those local broadcast stations not carried on their system;
- (9) The licensee's information collection and disclosure policies for the protection of a subscriber's privacy.

The information in subsections (5)–(9) above will be provided to each subscriber annually. The licensee will provide prompt notification to the County and to each affected customer of any material change in any of the above.

(b) Bills will be clear, concise and understandable.

(c) Refund checks will be issued promptly, but no later than the earlier of forty-five (45) days or the customer's next billing cycle following the resolution of the request, and the return of the equipment supplied by the licensee if service is terminated.

(d) All customers and the County will receive written notification a minimum of thirty (30) days in advance of any rate or channel change, provided the change is within the control of the licensee.

(e) The licensee shall, within seven (7) days after receiving written request from the County, send a written report to the County with respect to any particular consumer complaint. The report to the County shall provide a full explanation of the investigation, findings and corrective steps taken by the licensee.

(Ord. No. 90-73, § 1, 7-24-90)

Sec. 8AA-60. Privacy/use of data.

The licensee shall comply with all federal and State laws regarding collecting, storing and disseminating of individual subscriber information,

and shall operate the system in a manner that protects against invasions of any person's privacy and protects the privacy of data services and data signals distributed over the system.

(Ord. No. 90-73, § 1, 7-24-90)

Sec. 8AA-61. Rates.

(a) Licensee must give thirty (30) days prior written notice to the County Manager and all affected subscribers of any pricing changes or additional charges, excluding temporary marketing and sales discounts or offers. The licensee may reduce the price at any time.

(b) At any time the licensee increases the rate for basic service within a single calendar year by more than the greater of seven (7) percent or the increase in the Consumer Price Index in the previous twelve (12) months, the County Manager may require the licensee to have an audit performed by an independent certified public accountant agreed upon by the County. The expense of the audit shall be shared equally by the County and the licensee. The required audit shall be submitted to the County within thirty (30) days following the effective date of the rate increase. The audit shall identify those significant factors that prompted the decision to increase rates and the extent to which those factors are reflected in the actual amount of the increase.

(Ord. No. 90-73, § 1, 7-24-90)

Sec. 8AA-62. Discontinuing or denying service.

(a) The licensee may discontinue service to a subscriber who fails to pay installation fees or monthly service charges when due. Before disconnecting service, the licensee must send the subscriber at least seven (7) days prior written notice that service will be disconnected if payment is not received.

(b) Licensee may deny service to any subscriber where such subscriber has previously been a subscriber of the licensee and the licensee previously terminated the subscriber's service due to nonpayment.

(Ord. No. 90-73, § 1, 7-24-90)

Sec. 8AA-63. Discriminatory practices prohibited.

(a) A licensee must not deny, delay or otherwise burden service or discriminate against subscribers or users on the basis of age, race, creed, religion, color, sex, handicap, national origin, marital status, or political affiliation, and must not deny cable service to any potential subscribers because of the income of the residents of the area in which the subscribers reside.

(b) A licensee must not refuse to employ, nor discharge from employment, nor discriminate against any person in compensation or in terms, conditions or privileges of employment because of age, race, creed, religion, color, sex, handicap, national origin, marital status, or political affiliation.

(c) A licensee must comply at all times with the Equal Employment Opportunity provisions and reporting requirements contained in federal law. A copy of the licensee's annual report required by the FCC shall be submitted simultaneously to the County.

(d) No licensee shall require a minimum number of subscribers as a precondition to providing service to any multiple dwelling unit that is located in an area that meets the minimum density requirements of Section 8AA-27. This subsection shall not be applicable to hotels, motels and other multi-dwelling units in which more than a majority of the occupants have been residing there less than four (4) months or where a majority of the occupants have leases with terms for less than four (4) months.

(Ord. No. 90-78, § 1, 7-24-90; Ord. No. 92-97, § 10, 9-15-92)

Sec. 8AA-64. Theft, vandalism, tampering; violation.

It is unlawful and a violation of this chapter to:

(a) Willfully obtain or attempt to obtain cable services or cable related services from another by means of artifice, trick, deception, or device without payment to the operator for such services of all lawful compensation due for each type of services unlawfully obtained.

(b) Willfully assist any other person in obtaining or attempting to obtain any cable service or cable related services without payment to the cable operator of such services of all lawful compensation due for each type of services unlawfully obtained.

(c) Willfully tamper or otherwise interfere with or connect to by any means, whether mechanical, electrical, acoustical, or other, any cable, wires, or other devices used for the distribution of cable services or cable related services without actual authority from the operator of such services.

(d) Willfully sell, rent, or lend, or promote or advertise for sale, rental or use, any device or any plan to any person with the knowledge that the person intends to use such device or plan to commit any of the acts set forth in paragraphs (a), (b), and (c), whether or not such device or plan actually has the ability to facilitate the commission of any acts set forth in paragraphs (a), (b), and (c).

(e) Willfully sell, rent, or lend, or promote or advertise for sale, rental, or use, without authority from the operator of such cable services or cable related services, any device which is electronically capable of decoding cable system signals which have been encoded by a cable operator or any person under contract with such operator.

(Ord. No. 90-78, § 1, 7-24-90)

Sec. 8AA-65. Prima facie evidence.

The presence on property, in the actual possession of a person, of any device or alteration which effects the diversion or use of cable services or cable related services without such services being reported for payment to, and specifically authorized by, the cable operator shall be prima facie evidence of a violation of this section; however, this presumption shall not apply unless:

(a) The presence of such a device or alteration can be attributed only to a deliberate act in furtherance of an intent to avoid payment for such service; and

(b) The person charged has received the direct benefit of the reduction of the cost of such services; and

- (c) The recipient of such services has received the benefit of such services for at least one full billing cycle.

(Ord. No. 90-73, § 1, 7-24-90)

Sec. 8AA-66. Confiscation.

Any law enforcement agency having jurisdiction shall have the authority to confiscate any and all such instruments, apparatus, equipment, devices, instructions, and plans described in Section 8AA-64, including any materials, tools, machinery, or equipment used to manufacture or produce such instruments, apparatus, equipment, devices, instructions, and plans, and, upon conviction for violation of the provisions of this section, such instruments, apparatus, equipment, devices, instructions, and plans, together with all such materials, tools, machinery, and equipment used to manufacture or produce same, shall be destroyed or otherwise disposed of by order of court.

(Ord. No. 90-73, § 1, 7-24-90)

Sec. 8AA-67. Punishment; civil damages; remedies nonexclusive.

(a) Any person who willfully violates Section 8AA-64 shall be subject to a five hundred dollar (\$500.00) fine and thirty (30) days in jail for each violation.

(b) Whoever is found in a civil action to have violated the provisions of Sections 8AA-64 through 8AA-67 shall be liable in actual and punitive damages to the licensee involved or may be subject to injunction, or both, and, upon judgment in favor of the licensee, such licensee shall also be entitled to recover all costs of such action, including all appellate proceedings, together with reasonable attorney's fees.

(c) The provisions set forth herein are in addition to any remedies or sanctions of any other local, State, or federal law.

(Ord. No. 90-73, § 1, 7-24-90)

Sec. 8AA-68. Performance evaluation.

(a) The County may conduct periodic performance evaluations of a licensee. A licensee shall cooperate with these evaluations. If the County implements a survey of cable subscribers in con-

nection with a performance evaluation, the County may require a licensee to distribute the County's questionnaire to its subscribers at the County's expense.

(b) At the conclusion of the evaluation, the County Manager shall issue a report to the Commission of the results of any performance evaluation together with, if necessary, any recommendations for methods to improve a licensee's performance under the license or this chapter.

(Ord. No. 90-73, § 1, 7-24-90)

Sec. 8AA-69. Enforcement; settlement authority, notice and cure provisions.

(a) Provisions of this chapter listed in Chapter 8CC of the Code of Metropolitan Dade County will be enforced pursuant to that chapter. The County Manager or his designee is hereby authorized to resolve by settlement any notice of violation of this chapter issued pursuant to Chapter 8CC. In deciding to settle a dispute over an alleged violation, the County shall consider: (1) the probability of success in proving the violation; (2) the nature and seriousness of the violation; (3) the licensee's past history concerning similar violations; (4) mitigating factors; and (5) the licensee's success in resolving this dispute with affected subscribers.

(b) Prior to issuing a notice of violation pursuant to Chapter 8CC, the County will provide the licensee with notice and opportunity to cure. The notice shall state the Code section alleged to be violated, factual basis of the violation, the amount of the civil penalty, and the time period allowed to cure the violation without incurring a civil penalty. This notice and cure provisions will apply only to the subsections (1), (2) and (3) listed below.

- (1) Licensee shall have a notice and opportunity to cure time period of no less than seven (7) days for violations of the following provisions:

Section 8AA-35(g) Burying drop cable
Section 8AA-39 Improper grounding

- (2) Licensee shall have a notice and opportunity to cure time period of no less than thirty (30) days from violations of the fol-

lowing provisions:

- Sections 8AA-21; Maintaining insurance 8AA-22
- Sections 8AA-23; Maintaining performance bond 8AA-24
- Section 8AA-27 Submission of construction plan
- Section 8AA-36(d) Membership in UNCLE
- Section 8AA-41 Equipment for the hearing impaired
- Section 8AA-45 Providing A/B switch
- Section 8AA-48 Service to public buildings
- Section 8AA-50(f) Capital support for PEG
- Sections 8AA-52; Recording and reporting 8AA-53; 8AA-54
- Section 8AA-57(a) Maintaining an office
- Section 8AA-57(b) Maintaining 24-hour telephone system
- Section 8AA-57(c) Maintaining office hours

- (3) Licensee shall have a notice and opportunity to cure time period of no less than sixty (60) days for violations of the following provisions:

- Section 8AA-37 Construction and time limitations
- Section 8AA-42 Standby power
- Section 8AA-50 Providing educational and government access channels
- Section 8AA-58(c) Extending service to new developments

(Ord. No. 90-73, § 1, 7-24-90; Ord. No. 92-97, § 11, 9-15-92)

Sec. 8AA-70. Further remedies.

(a) If the County determines that the licensee fails to conform to the required telephone standards in Section 8AA-57(d) and (e) for two (2) consecutive quarters:

- (1) The County Manager may require the licensee to provide the County with a communication traffic study within sixty (60) days of notice. The study will be conducted on all customer service trunk lines and must include information on the efficiency of the communication system measured from the telephone company's central office, as well as other performance information available from the licensee's communication equipment. The study must provide information that confirms that the licensee's communications system is properly trunked and staffed to meet the requirements of this

chapter using generally accepted telephonic engineering standards.

- (2) Based upon the findings of the traffic study that additional personnel are needed and other relevant considerations, the County Manager may require the licensee to staff a minimum specified number of customer service representatives to handle telephone calls. The minimum number shall be one (1) such customer service representative for each one hundred (100) calls received daily. For purposes of this calculation, the number of calls shall be the median number of calls received on a daily basis for the two (2) consecutive quarters during which the standards were not met. If, following a County order for minimum staffing requirements, the licensee's performance meets the required telephone standards for any two (2) consecutive quarters, the County will rescind its minimum staffing order provided the licensee continues to conform to the required telephone standards.

(b) In addition to or instead of any other remedy, the County may seek legal or equitable relief from any court of competent jurisdiction.

(c) Failure of the County to enforce any requirements of a license or this chapter shall not constitute a waiver of the County's right to enforce subsequent violations of the same type or to seek appropriate enforcement remedies.

(Ord. No. 90-73, § 1, 7-24-90)

Sec. 8AA-71. Termination; right of termination.

The County reserves the right to suspend, terminate and cancel a license and all rights and privileges of a licensee after the process pursuant to this section for just and reasonable cause or in the event that any one of the following occurs:

- (a) The licensee, after sixty (60) days' notice of a violation sent by certified mail by the County, continues to violate any material provision of this chapter or any rule pursuant to this chapter, except if such violation by licensee is without fault or through excusable negligence.

MEMORANDUM

FEB 2 1994

FCC - MAIL ROOM

TO: William Hampton

FROM: Matthew L. Leibowitz
Joseph A. Belisle

DATE: December 21, 1993

RE: Cable Satellite Presentation on Cable Regulation

By letter dated December 17, 1993, Rick Hensley of Cable Satellite of South Miami, Inc., transmitted to each member of the City Commission a memorandum prepared by Cable Satellite's counsel on the issues of cable television rate regulation, cable television customer service standards, and cable television late fees. Unfortunately Cable Satellite did not make this memorandum available to Counsel for the City. The memorandum contains numerous errors of fact and law, and as a result is misleading. To assist the Commission we have summarized Cable Satellite's statements and corrected them where appropriate.

RATE REGULATION

Joint Certification. Dade County and the City of South Miami have each, individually, filed with the FCC for certification to regulate cable television rates. Cable Satellite asserts that South Miami cannot share any expense of cable television rate regulation with Dade County unless the City and County file a joint request for rate regulation certification with the FCC.

This is untrue. The FCC stated in its Rate Regulation Report and Order of May 3, 1993, "We also agree...that joint regulation may take several forms, including arrangements where communities share the costs of data collection and hold joint hearings but make independent rate decisions." para. 77. We discussed this with the FCC's staff and were told that joint rate certification procedures were not intended to bar cost sharing by franchising authorities which separately regulate rates.

Cable Satellite's joint certification arguments seem designed to forestall the inauguration of any form of rate regulation. This is especially true when you consider that Dade County's rate certification has been challenged, and if the challenge is successful, there may be no rate regulation absent City rate regulation. Thus, Cable Satellite would be free to raise rates on the local programming tier, installation and equipment without any restriction.

CUSTOMER SERVICE STANDARDS

Cable Satellite asks that the City of South Miami refrain from passing its cable television customer service ordinance. It argues that FCC and Dade County customer service standards should suffice to protect South Miami's cable television subscribers. As demonstrated below, Cable Satellite's arguments in this regard proceed from false premises.

Effect of Preemption. Cable Satellite claims that neither the FCC's new customer service standards nor any local ordinances enacted to implement stricter customer service standards are effective to modify pre-existing franchise terms. Citing footnote 20 of the FCC's Report and Order adopting customer service standards, Cable Satellite asserts that "...nothing contained in the provisions of pre-existing franchise terms are meant to be contravened by these new laws and all pre-existing franchise terms will be grandfathered through the end of the franchise term."

Unfortunately, Cable Satellite citation of Footnote 20, deliberately misstates the law. Footnote 20 of the Report and Order grandfathered only those terms in pre-existing franchises that impose customer service standards more stringent than those adopted by the FCC.

Cable Satellite's arguments regarding preemption of existing customer service standards are the exact opposite of the state of the law. The FCC and its staff have clearly and repeatedly stated that local franchise authorities are free to enact additional and or more stringent standards without regard to their existing franchise agreement. This preemption is confirmed in the following passage from page 15 of The Cable Re-Regulation Handbook (Thompson Publishing Group, 1993):

The FCC rules are a floor, not a ceiling, for the level of customer service standards that can be imposed on cable operators. Therefore, states and local franchising authorities can, both under the 1992 act (Section 552(c)) and FCC rules (Section 76.309(b)(3)-(4)), adopt customer service standards or consumer protection laws that are tougher or address different areas than those issued by the FCC.... State and local governments, by ordinance or statute, may adopt more stringent standards than the FCC's....

FCC Customer Service Standards Are Not Self-Executing. Cable Satellite's memo characterizes the FCC customer service standards as self-executing. This is false. First they are implemented by

the local franchise authority adopting the FCC standards and giving the local cable operator 90 days notice of intent to enforce the standards. Second, enforcement of FCC cable television customer service standards is left solely to local franchising authorities. In fact, the FCC standards themselves have no enforcement mechanism. For this reason, the FCC has empowered franchising authorities to adopt reasonable remedies for customer service violations.

Dade County Has Not Adopted FCC Customer Service Standards. Cable Satellite mistakenly argues that Dade County Cable operators must meet FCC customer service standards whenever the standards in any franchise agreement or ordinance fall below FCC standards. This would be true if the FCC standards were self-executing or if Dade County were enforcing FCC customer service standards. However neither of these propositions is true. Dade County has not adopted the FCC customer service standards. Absent action from the City to enforce FCC customer service standards, the cable television systems in Dade County are governed by existing franchise requirements.

Fines Proposed in the South Miami Customer Service Ordinance are Reasonable. Cable Satellite argues that the fines provided in the proposed South Miami cable television customer service ordinance are unfair because they are greater than the fines contained in the Dade County cable television ordinance. This assertion overlooks the fact that the fines listed are maximum fines. The City has the discretion to reduce or waive the fine entirely if circumstances surrounding a violation warrant a lesser sanction. In addition, both Pembroke Pines and the City of Miami Beach have recently enacted fines equal to or in excess of those proposed here.

The South Miami Customer Service Ordinance is Designed to Mitigate the Costs of Administration. After arguing that fines are too high, Cable Satellite reverses field and argues that the costs of administering the cable television customer service ordinance will be burdensome. The ordinance seeks to take the increased costs of administration into consideration in assessing penalties for violations. It states "It is the intent of the City to determine penalties as a reasonable estimate of the damages suffered by the city and/or its subscribers, whether actual or potential, and may include without limitation, increased costs of administration and other damages difficult to measure."

Cable Satellite does not Qualify for a Small System Waiver of Customer Service Standards. Cable Satellite argues that its cable system is similar to "small systems" which are subject to waiver of FCC customer service standards. Cable Satellite's cable system does not, however, even remotely resemble the type of cable system

the FCC denominates a "small system." A cable system's size is measured on the basis of technically integrated cable television facilities, not on the basis of community unit size. A "small system" is a system with less than 1000 subscribers on a technically integrated cable system. As of April, 1993, Cable Satellite's cable system served 7,785 subscribers, 2114 of whom were residents of the City of South Miami. This system is almost eight times larger than the largest "small system" for FCC purposes.

Business Office Staffing Requirements are based on Cable Satellite's Response to the City's Renewal Questionnaire. Cable Satellite's memo cites Saturday staffing requirements for its business office as an unreasonable demand that "will undoubtedly lead to justifiable increases in overall billing to the City's subscribers--something that would contravene the goals of the 1992 Cable Act." Cable Satellite fails to mention, however, that the customer service ordinance's staffing requirement is less than Cable Satellite said it was providing in its April 1993 response to the City's renewal questionnaire. Specifically, page 4b of Cable Satellite's renewal questionnaire response stated that the company's office hours were 8:30 am - 9:00 pm, Monday through Friday and 8:30 am - 5:00 pm, Saturday and Sunday. The proposed customer service ordinance requires that the business office be open from 8:30 am - 5:00 pm, Monday through Saturday. This is 28 and 1/2 hours less service per week than Cable Satellite said it was already providing.

The FCC clearly stated in its Customer Service Report and Order that "...it is not proper to limit public access to the cable operator's staff to 9:00 a.m. to 5:00 p.m. Monday through Friday." As a result, the FCC requires the cable operator's office to be open at least one evening or weekend day. Paragraph 40.

LATE CHARGES

Unlike Southern Bell and FPL, Cable Satellite bills its customers in advance for its services. If a bill is not paid when due, a \$5.00 late charge appears on the next month's bill.

Cable Satellite objects to limiting the late charges it assesses against delinquent customers to 1.5% per month. This is the amount of the late fees charged by the telephone and power companies in Florida. It translates into 18% per year interest on the money owed Cable Satellite by its subscribers.

While Cable Satellite claims that late fees defray the administrative cost of collections, it has not attempted to show any such relationship with the collection costs it incurs. The wide variation in late fees Cable Satellite claims are charged in

Dade County (\$5 - \$15) suggests that something more is at work here than just collection costs. How much can it cost Cable Satellite to rebill a subscriber and add a late charge to the bill? Not \$5.

BIENSTOCK & CLARK

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RECEIVED

FEB 2 1994

FCC - MAIL ROOM

Catherine M. Christensen

3340 OCEAN PARK BOULEVARD
SUITE 3060
SANTA MONICA, CALIFORNIA 90405
(310) 314-8660
TELECOPIER (310) 314-8662

November 23, 1993

Joseph A. Belisle, Esq.
Leibowitz & Spencer
Suite 1450
Sunbank International Center
One Southeast Third Avenue
Miami, FL 33131-1715

Re: Complaint Letter from Alan Stevens
and Your Letter to Me Dated 11/16/93

Dear Joseph:

This letter is in response to your letter to me dated November 16, 1993, informing me about a customer letter which was recently sent to the City of South Miami and advising me that the letter "...raises serious questions as to whether [Cable Satellite] has been complying with the FCC's cable television rate freeze."

Please be assured that Cable Satellite has not violated the FCC's rate freeze order. Your letter and unveiled threats to invoke the FCC's enforcement processes contained therein are completely without merit and totally unwarranted. The only serious question which your letter raises is whether or not you were able to comprehend the charges listed on the customer's billing statement. Had you, or the City, contacted Cable Satellite directly for an explanation of the charges on Mr. Stevens' bill, there is no doubt that you would have received a reasonable and satisfactory explanation.

For your information, Cable Satellite has been offering Sportschannel as a premium service for over four years. This

Joseph A. Belisle, Esq.
November 23, 1993
Page 2

particular programming falls within the category of services which includes video programming for which the operator charges a per channel or per program fee. Under the 1992 Cable Act, THE RATES FOR THIS SERVICE ARE NOT SUBJECT TO REGULATION BY EITHER LOCAL GOVERNMENTS OR THE FCC. Consequently, the cable operator, in its sole discretion, can determine the charges for premium programming and for equipment related to such premium services.

Also for your information, there is no new Sports/Sunshine programming tier. Cable Satellite, in the past, did, however, offer a special promotion for the Sportschannel/Sunshine Networks (both of which were then offered as premium services to customers at the combined special rate of \$3.95). Mr. Stevens elected to take advantage of this offer back in April 1990 and has been receiving the two programs ever since.

You are correct that Sunshine is now carried on the system's basic tier. In fact, the only constructive criticism contained in your letter, was to point out to Cable Satellite that its billing statements still made reference to the "Sports/Sunshine" premium service line item, when it should only refer to the "Sportschannel" premium service. There is a very simple explanation for this, and that is, with everything the company has been doing to comply with the new rules and regulations, someone forgot to make the change to the computer entry.

As soon as possible, the reference on the billing statement to "Sports/Sunshine" will be changed to "Sportschannel." Also, future billing statements will reflect that the current rate for the Sportschannel premium program service is \$2.95. Because cable bills are sent out on different cycles, it may take a while for all bills to reflect all credits and adjustments. Most of Cable Satellite's customers have already been credited for the \$1.00 previously attributed to Sunshine, effective September 1. It appears that Mr. Stevens' next bill will reflect the \$1.00 credit. If Mr. Stevens no longer wishes to receive the Sportschannel premium service, then he should contact a customer service representative at Cable Satellite, and he or she will be happy to arrange to have the service and related equipment charges, if any, removed from his bill.

With respect to the copyright fee for the month of September vs. October, your analysis is wholly inaccurate. A closer examination of the charges listed on the bill will show that the \$.07 copyright fee was not based upon a percentage of the total month's services, but merely related to a pro rata portion of such month. The \$.07 copyright fee corresponds to the \$4.00 partial

Joseph A. Belisle, Esq.
November 23, 1993
Page 3

month charge reflected on the same bill. The rate regulation provisions became effective on September 1, and as you can see by the entries, the billing period, and adjustments thereto, ran from August 31 through September 30. This amount reflects the August 31 charges for which the company is legally allowed to collect.

On the other hand, the \$1.15 charge which you point to and misleadingly refer to as an "increase" was, in fact, related to the amount of copyright fees attributable to the \$25.48 basic service charges for the entire monthly billing period.

In any event, now that the FCC has clarified and confirmed that copyright fees are not within the category of fees imposed by governmental authorities, as are contemplated under Section 622(c)(3) of the 1992 Cable Act, effective September 1, Cable Satellite will no longer identify these copyright fees on customer billing statements and credits going back to September 1, if not already credited, will be made by the Company.

I hope that this letter allays the concerns stated in your November 16 letter. Upon receipt of the customer complaint by the City, it would have been in the best interest of the City and the customer to bring the letter immediately brought to the attention of Cable Satellite. Any discrepancies in the billing could have been resolved between the cable operator and the customer, without legal intervention.

The City's application to become certified has not yet, to my knowledge, become effective. Even if it has become effective, Cable Satellite should have been given the opportunity to provide facts to the City which would assist the City in making an informed decision about this complaint.

To fire off legal letters with idle threats of forfeiture proceedings is unfair and entirely undeserved in this instance. Your letter is replete with misinformation and indicates that you are not familiar with Cable Satellite's operations and procedures. Should you have had any questions or concerns, based upon your review of Mr. Stevens' complaint, the City, or you, on the City's behalf, should have not hesitated to contact Cable Satellite. There is absolutely no need for the City's special counsel to be spending time and taxpayer money, and requiring Cable Satellite's counsel to expend time and money, on a matter which could have been expeditiously and satisfactorily resolved without the involvement of attorneys.

As I suggested to you and your firm, rate reregulation should not be viewed as an attempt by franchising authorities to

Joseph A. Belisle, Esq.
November 23, 1993
Page 4

penalize cable operators for alleged past indiscretions. Rather, franchising authorities and cable operators alike should be focusing on improved relations between themselves and continued improvement of cable services to subscribers. I genuinely hope that future discussions between our respective clients, and their counsel, will not be marred by any additional threats of forfeiture and alleged non-compliance, which are not substantiated by all of the facts.

Thank you for your cooperation in this matter.

Sincerely,


Catherine M. Christensen

CMC:pc

cc: Mr. William Hampton
Mr. Rick Hensley
Martin Berg, Esq.

LEIBOWITZ & SPENCER
A PARTNERSHIP OF PROFESSIONAL CORPORATIONS

MATTHEW L. LEIBOWITZ, P.A.
JOHN M. SPENCER, P.C.*
JOSEPH A. BELISLE

OF COUNSEL
SANFORD L. BOHRER

* NOT ADMITTED TO
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TELEPHONE (305) 530-1322
TELECOPIER (305) 530-9417

SUITE 500
1000 CONNECTICUT AVENUE, N.W.
WASHINGTON, D.C. 20036

November 16, 1993

VIA TELECOPIER

Catherine M. Christensen, Esq.
Bienstock & Clark
200 South Biscayne Blvd.
Suite 3160
Miami, Florida 33131-2367

Telecopier No. 358-1226

Dear Catherine:

Enclosed is a copy of a Complaint that City of South Miami received with respect to Cable Satellite of South Miami, Inc.'s rates. The City's review of this complaint raises serious questions as to whether Cable Satellite of South Miami, Inc. has been complying with the FCC's cable television rate freeze.

First, the October 1 - 31 portion of this bill contains a charge of \$3.95 for "Sports/Sunshine." When the City inquired into this charge, it appeared that the customer had never ordered the Sports/Sunshine Service from the cable system. This is a patent violation of FCC Rule 76.981 which prohibits cable operators from charging for any service or equipment that the subscriber has not affirmatively requested by name.

The next issue raised by the Sports/Sunshine entry on the disputed bill is one of the appropriateness of a Sports/Sunshine tier for the cable system. The City of South Miami and Cable Satellite's subscribers were not given prior notice of Cable Satellite's creation of a Sports/Sunshine programming tier. The latest information Cable Satellite provided to the City of South Miami is that the Sunshine Sports Network is in the cable system's basic tier. See Letter to William Hampton from Rick Hensley dated August 30, 1993.

November 16, 1993

Page 2

The enclosed bill raises a further question as to whether Cable Satellite has abandoned the price structure announced in Mr. Hensley's August 30, 1993 letter to Mr. Hampton. Has Cable Satellite created any other new programming tiers besides the Sports/Sunshine tier? Is the Sports Channel still being offered a la carte for \$2.95 per month?

Another concern raised by the enclosed bill is the copyright fee charged the customer. It appears that the copyright fee for the month of September, 1993 was \$.07. This charge increased to \$1.15 for the month of October, 1993. I am unaware of any authority permitting cable systems to collect copyright fees from their customers. Copyright fees are assessed against cable operators, not cable subscribers. Increasing charges to cable subscribers under the guise of collecting increased copyright fees is a violation of the FCC's cable rate freeze.

The final concern I have with the enclosed bill is its new charges for the month of September 1993. Cable Satellite bills in advance for cable television service. What are these September charges doing on an October 1993 bill?

The City of South Miami seeks assurances that Cable Satellite is complying with the FCC's cable rate freeze or is willing to both come into compliance and refund any overcharges made to customers. Please provide a detailed response to the concerns outlined above. Include data on Cable Satellite's present channel line up; its charges for products and services; its computation of any overcharges to customers; and its plans to refund or credit customers for any overcharges.

The City of South Miami sincerely wishes to resolve the matters discussed above without the necessity of invoking the FCC's enforcement processes. I think you will agree that reasonable measures to comply with the cable rate freeze serve all parties far better than an FCC forfeiture proceeding. Given the scope of the FCC's forfeiture powers, compliance with the rate freeze should also be the least expensive alternative available to Cable Satellite.

November 16, 1993
Page 3

Please provide the information requested above on or before December 1, 1993. Thank you for your assistance in this matter.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Joseph A. Belisle". The signature is fluid and cursive, with the first name "Joseph" and last name "Belisle" clearly distinguishable.

Joseph A. Belisle
Special Counsel
City of South Miami, Florida

JAB:tmr

cc: Mr. William Hampton
Martin Berg, Esquire

Elta no copy.

FEB 2 1994

FCC - MAIL ROOM

October 21, 1993

Bill Hampton, City Manager
City of South Miami
6130 Sunset Drive
South Miami, Fl. 33143 Community ID #FL 0529

Dear Sir: -

I have enclosed a copy of my most recent cable T.V. monthly bill from Cable Satellite of 10711 SW 216 St., Suite #4100, Miami, Fl.

As you can see, the one month increase was from \$32.20 to \$41.26, a jump of 28% which seems to be quite unreasonable. I am sure you will agree!!

Is this in line with the new guidelines which have been so highly publicized as going to save the consumer money?? Some savings!!

Please advise what action can or should be taken. Thank you.

Yours truly
Alan Stevens

7560 SW 62 St., G-214

Miami, Fl. 33143

Tel.: 665-8775

REC-11

OCT 26 1993

CABLE SATELLITE
10711 SW 216 ST SUITE #A100
MIAMI FL 33170

FEB 2 1994

DATE DUE
10/07/93AMOUNT DUE
41.26FCC - MAIL ROOM
FORWARD AND ADDRESS CORRECTIONPLEASE INDICATE
AMOUNT ENCLOSED

PLEASE RETURN THIS TOP PORTION ONLY, WITH REMITTANCE TO ... Thank You!

000-09-93-A-C

J2
HO
06
1
00
64
4

2126 CP 1 B 9 D 48128 XCR 27
ALAN STEVENS
7560 SW 82 ST APT G214
MIAMI FL 33143-7323

CABLE SATELLITE
PO BOX 025393
MIAMI FL 33152-5393



14904 102874 01 2 0 0004126 04 7

CABLE SATELLITE INC	ACCOUNT NUMBER	BILLED FROM	BILLED TO	DATE DUE	INCLUDES PAYMENTS RECEIVED BY
	14904-102874-01-2	10/01/93	10/31/93	10/07/93	9/15/93

FOR- 7560 SW 82 ST APT G214

OUR CUSTOMER SERVICE/REPAIR NUMBER IS
305-232-9202, MON-FRI. PAYMENTS MADE
ON OR AFTER THE DUE DATE MAY NOT SHOW
ON YOUR NEXT BILLING STATEMENT.

8/31	BEGINNING BALANCE	32.20
8/31	PAYMENT	32.20
8/31- 9/30	PARTIAL MONTH	4.00
8/31- 9/30	SALES TAX	.26
8/31- 9/30	FRANCHISE FEE	.20
8/31- 9/30	COPYRIGHT FEE	.07
10/01-10/31	SPORTS/SUNSHINE	3.95
10/01-10/31	SALES TAX	2.08
10/01-10/31	FRANCHISE FEE	1.60
10/01-10/31	CONVERT MAINT FEE	1.95
10/01-10/31	REMOTE CONTROL	.52
10/01-10/31	BASIC SERVICE	25.48
10/01-10/31	COPYRIGHT FEE	1.15
9/30	BALANCE DUE	41.26

NOTICE - FRANCHISE AUTHORITY INFO
*DADE COUNTY: CONSUMER SERVICES DEPT.,
OFFICE OF CABLE TELEVISION COORDI-
NATION, RM. 901, 140 W. FLAGLER ST.,
MIAMI, FL 33130-1564; 305/375-3677;
COMMUNITY I.D. #FL0914.
*S.MIAMI: BILL HAMPTON, CITY MANAGER,
CITY OF SOUTH MIAMI, 6130 SUNSET DR.,
SOUTH MIAMI, FL 33143; 305/663-6300;
COMMUNITY I.D. #FL0529.

OCT. 01 THRU OCT 31, 1993

BIENSTOCK & CLARK

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A Professional Association
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MIAMI, FLORIDA 33131-2367
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FEB 2 1994

FCC - MAIL ROOM

Catherine M. Christensen

3340 OCEAN PARK BOULEVARD
SUITE 3080
SANTA MONICA, CALIFORNIA 90405
(310) 314-8660
TELECOPIER (310) 314-8662

December 14, 1993

VIA FAX AND U. S. MAIL

Joseph A. Belisle, Esq.
Leibowitz & Spencer
Suite 1450
Sunbank International Center
One Southeast Third Avenue
Miami, FL 33131-1715

**Re: Cable Satellite - City of South Miami
Your Letter to Me Dated November 29,
1993, Concerning Alleged Insurance Contract**

Dear Joseph:

I am writing to respond to your November 29, 1993, letter to me. I do not believe that Cable Satellite's Service Contract is misleading or troubling in any way. Most cable companies have sent out similar notices. A copy of a sample form service listing from another cable operator is enclosed. You will note that such form also refers to the new federal regulations and indicating that because of such laws new service rates are now applicable.

Simply stated, in order to partake of certain services provided by Cable Satellite, a cable subscriber is required to pay for the charges (which reflect Cable Satellite's "Equipment Basket" of costs) set forth in the contract, based upon the rules and regulations promulgated by the Federal Communications Commission (the "FCC"). Cable Satellite's Service Contract to its customers provides that the cable operator's service charges are "based on Federal Communications Commission formulas" and nothing more.

I direct your attention to 47 C.F.R. 76.923(b) which provides that cable operators should completely unbundle the charges for equipment and installation from their charges for programming and that customers must now be charged separately for service and equipment. The rates for equipment and installation must be established at cost in accordance with the Hourly Service Charge (HSC) formulas adopted by the FCC. 47 C.F.R. 76.923(d).

Joseph A. Belisle, Esq.
December 14, 1993
Page 2

The HSC is derived from the system's historical cost for service and repair, plus a reasonable profit, as determined by the FCC.


Your argument that Cable Satellite's Service Contract is a "contract of insurance" under Fla. Stat. § 624.02 is totally without merit in light of the foregoing rules promulgated by the FCC, which (in any event, even if the statute were applicable, which we contend it is not) preempt and supersede any such state statute.

As noted in FCC Order No. 92-266, Cable Satellite's installation and other charges may be a one time charge or set up in installments. Also under federal law, cable operators are permitted to sell service contracts. The price of these contracts shall be based on the HSC times the estimated average number of hours required for maintenance and repair over the expected life of the equipment 47 C.F.R. 76.923(i).

Cable Satellite's Service Contract is "consumer friendly," and should not be a source complaint. The consumer has a real choice. Any customer can affirmatively, and in its own discretion, elect to enter into this installment arrangement which covers all services listed, or the customer can, at its option, pay the charges separately as each service is rendered and each charge for services rendered by Cable Satellite becomes due.

There is nothing evasive about this process. Furthermore, whether or not the Service Contract is an evasion or violation of any rate freeze, as alleged in your letter, are issues that are within the jurisdiction of the FCC. Even if the City has jurisdiction over these matters, because the City has not yet notified Cable Satellite (as is required by federal law) that it has been certified and has adopted appropriate regulations to regulate, it is not in a position to regulate Cable Satellite's rates at this time.

Sincerely,



Catherine M. Christensen

CMC:pc

cc: Mr. William Hampton
Mr. Rick Hensley
Martin Berg, Esq.